



General Assembly

January Session, 2007

**Committee Bill No. 6209**

LCO No. 5689

\*05689HB06209ET\_\*

Referred to Committee on Energy and Technology

Introduced by:  
(ET)

***AN ACT CONCERNING THE RENEWABLE INVESTMENT FUND.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16-245n of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2007*):

3 (a) For purposes of this section, "renewable energy" means solar  
4 energy, wind, ocean thermal energy, wave or tidal energy, fuel cells,  
5 landfill gas, hydrogen production and hydrogen conversion  
6 technologies, low emission advanced biomass conversion technologies,  
7 usable electricity from combined heat and power systems with waste  
8 heat recovery systems, thermal storage systems and other energy  
9 resources and emerging technologies which have significant potential  
10 for commercialization and which do not involve the combustion of  
11 coal, petroleum or petroleum products, municipal solid waste or  
12 nuclear fission.

13 (b) On and after July 1, 2004, the Department of Public Utility  
14 Control shall assess or cause to be assessed a charge of not less than  
15 one mill per kilowatt hour charged to each end use customer of electric  
16 services in this state which shall be deposited into the Renewable

17 Energy Investment Fund established under subsection (c) of this  
18 section. Notwithstanding the provisions of this section, receipts from  
19 such charges shall be disbursed to the resources of the General Fund  
20 during the period from July 1, 2003, to June 30, 2005, unless the  
21 department shall, on or before October 30, 2003, issue a financing order  
22 for each affected distribution company in accordance with sections 16-  
23 245e to 16-245k, inclusive, to sustain funding of renewable energy  
24 investment programs by substituting an equivalent amount, as  
25 determined by the department in such financing order, of proceeds of  
26 rate reduction bonds for disbursement to the resources of the General  
27 Fund during the period from July 1, 2003, to June 30, 2005. The  
28 department may authorize in such financing order the issuance of rate  
29 reduction bonds that substitute for disbursement to the General Fund  
30 for receipts of both charges under this subsection and subsection (a) of  
31 section 16-245m and also may in its discretion authorize the issuance of  
32 rate reduction bonds under this subsection and subsection (a) of  
33 section 16-245m that relate to more than one electric distribution  
34 company. The department shall, in such financing order or other  
35 appropriate order, offset any increase in the competitive transition  
36 assessment necessary to pay principal, premium, if any, interest and  
37 expenses of the issuance of such rate reduction bonds by making an  
38 equivalent reduction to the charges imposed under this subsection,  
39 provided any failure to offset all or any portion of such increase in the  
40 competitive transition assessment shall not affect the need to  
41 implement the full amount of such increase as required by this  
42 subsection and sections 16-245e to 16-245k, inclusive. Such financing  
43 order shall also provide if the rate reduction bonds are not issued, any  
44 unrecovered funds expended and committed by the electric  
45 distribution companies for renewable resource investment through  
46 deposits into the Renewable Energy Investment Fund, provided such  
47 expenditures were approved by the department following August 20,  
48 2003, and prior to the date of determination that the rate reduction  
49 bonds cannot be issued, shall be recovered by the companies from  
50 their respective competitive transition assessment or systems benefits

51 charge except that such expenditures shall not exceed one million  
52 dollars per month. All receipts from the remaining charges imposed  
53 under this subsection, after reduction of such charges to offset the  
54 increase in the competitive transition assessment as provided in this  
55 subsection, shall be disbursed to the Renewable Energy Investment  
56 Fund commencing as of July 1, 2003. Any increase in the competitive  
57 transition assessment or decrease in the renewable energy investment  
58 component of an electric distribution company's rates resulting from  
59 the issuance of or obligations under rate reduction bonds shall be  
60 included as rate adjustments on customer bills.

61 (c) There is hereby created a Renewable Energy Investment Fund  
62 which shall be [administered by] within Connecticut Innovations,  
63 Incorporated, for administrative purposes only. The fund may receive  
64 any amount required by law to be deposited into the fund and may  
65 receive any federal funds as may become available to the state for  
66 renewable energy investments. [Connecticut Innovations,  
67 Incorporated, may use any] Any amount in said fund may be used for  
68 expenditures which promote investment in renewable energy sources  
69 in accordance with a comprehensive plan developed by it to foster the  
70 growth, development and commercialization of renewable energy  
71 sources, related enterprises and stimulate demand for renewable  
72 energy and deployment of renewable energy sources which serve end  
73 use customers in this state. Such expenditures may include, but not be  
74 limited to, grants, direct or equity investments, contracts or other  
75 actions which support research, development, manufacture,  
76 commercialization, deployment and installation of renewable energy  
77 technologies, and actions which expand the expertise of individuals,  
78 businesses and lending institutions with regard to renewable energy  
79 technologies.

80 (d) The [chairperson of the board of directors of Connecticut  
81 Innovations, Incorporated, shall] Department of Public Utility Control  
82 shall appoint and convene a Renewable Energy Investments Advisory  
83 Committee to assist [Connecticut Innovations, Incorporated,] in

84 matters related to the Renewable Energy Investment Fund, including,  
85 but not limited to, development of a comprehensive plan and  
86 expenditure of funds. The advisory committee shall, in such plan, give  
87 preference to projects that maximize the reduction of federally  
88 mandated congestion charges. The plan shall be consistent with the  
89 comprehensive energy plan approved by the Connecticut Energy  
90 Advisory Board pursuant to section 16a-7a. The advisory committee  
91 shall include not more than twelve individuals with knowledge and  
92 experience in matters related to the purpose and activities of said fund.  
93 The advisory committee shall consist of the following members: (1)  
94 One person with expertise regarding renewable energy resources  
95 appointed by the speaker of the House of Representatives; (2) one  
96 person representing a state or regional organization primarily  
97 concerned with environmental protection appointed by the president  
98 pro tempore of the Senate; (3) one person with experience in business  
99 or commercial investments appointed by the majority leader of the  
100 House of Representatives; (4) one person representing a state or  
101 regional organization primarily concerned with environmental  
102 protection appointed by the majority leader of the Senate; (5) one  
103 person with experience in business or commercial investments  
104 appointed by the minority leader of the House of Representatives; (6)  
105 one person with experience in business or commercial investments  
106 appointed by the minority leader of the Senate; (7) two state officials  
107 with experience in matters relating to energy policy and one person  
108 with expertise regarding renewable energy resources appointed by the  
109 Governor; and (8) three persons with experience in business or  
110 commercial investments appointed by the board of directors of  
111 Connecticut Innovations, Incorporated. The advisory committee shall  
112 issue annually a report to [such chairperson] the department reviewing  
113 the activities of the fund in detail and shall provide a copy of such  
114 report, in accordance with the provisions of section 11-4a, to the joint  
115 standing committee of the General Assembly having cognizance of  
116 matters relating to energy [, the Department of Public Utility Control]  
117 and the Office of Consumer Counsel. The report shall include a

118 description of the programs and activities undertaken during the  
 119 reporting period jointly or in collaboration with the Energy  
 120 Conservation and Load Management Funds established pursuant to  
 121 section 16-245m.

122 (e) There shall be a joint committee of the Energy Conservation  
 123 Management Board and the Renewable Energy Investments Advisory  
 124 Committee, as provided in subdivision (2) of subsection (d) of section  
 125 16-245m.

126 (f) No later than December 31, 2006, and no later than December  
 127 thirty-first every five years thereafter, the advisory committee shall,  
 128 after consulting with the Energy Conservation Management Board,  
 129 conduct an evaluation of the performance of the programs and  
 130 activities of the fund and submit a report, in accordance with the  
 131 provisions of section 11-4a, of the evaluation to the joint standing  
 132 committee of the General Assembly having cognizance of matters  
 133 relating to energy.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2007	16-245n

**Statement of Purpose:**

To place the Renewable Energy Investment Fund under Connecticut Innovations, Incorporated, for administrative purposes only and to require an annual report to the Department of Public Utility Control.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: REP. WILBER, 63rd Dist.

H.B. 6209